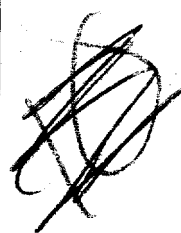


2

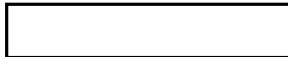
S-E-C-R-E-T



NATIONAL INTELLIGENCE ESTIMATES

A Lecture Delivered in the Intelligence Orientation Course

by



Deputy Assistant Director, ONE

25X1A

Intelligence School

OFFICE OF TRAINING

S-E-C-R-E-T

S-E-C-R-E-T

INTRODUCTION: National Intelligence Estimate

The Office of the DCI and the organization that supports him, the Central Intelligence Agency, were created in order to coordinate the activities of the intelligence community and to correlate all intelligence touching on the national security. The National Intelligence Estimate is the tangible product of that coordination. Through the NIE, the intelligence community can give to the President its best thinking and its united opinion on all foreign developments that might affect the security of the United States and so give him support for his formulation of foreign policy.

The National Intelligence Estimate is, in a very real sense, the end-product of all of the activities of CIA; all other production within CIA is subordinate to that one purpose. Obviously, if the support is half-hearted or inaccurate, the product will suffer; and on the other hand, if the NIE fails in its primary function, which is essentially that of prediction, national policy will suffer. It is support for the NIE that binds us together and gives us all a common goal.

25X1 Dr. [] joined CIA in 1947, long before there was an Office of National Estimates. He has also served overseas as []

25X1B

25X1 [] At present, he is Deputy Assistant Director of the Office of National Estimates.

S-E-C-R-E-T

S-E-C-R-E-T

NATIONAL INTELLIGENCE ESTIMATES

PRODUCTION OF NATIONAL INTELLIGENCE ESTIMATES

Basic Responsibility for Production

Characteristics of National Intelligence as Related to NIE's

Subjects of National Intelligence Estimates

Area

Scope

ONE Program

Normal Process in the Production of NIE's

Initiation by NSC Planning Board

Notice to DCI and the USIB

Preparation of Terms of Reference

Meeting of USIB Representatives

Preparation of Draft Estimate

Referral to Panel of Consultants

Consideration by the "Representatives"

USIB Consideration of Final Draft

Amount of Time Consumed in Normal Process of Production

Accelerated Production of an NIE

Notice to USIB Agencies

Oral Contributions

Dissemination of Draft Estimate

ORGANIZATION OF THE OFFICE OF NATIONAL ESTIMATES

ONE Staff

Support Staff

S-E-C-R-E-T

Board of National Estimates

RELATIONSHIP OF ONE TO OTHER CIA COMPONENTS AND USIB AGENCIES

ESTIMATED COST OF AN NIE

CONCLUSION

S-E-C-R-E-T

NATIONAL INTELLIGENCE ESTIMATES

(IOC lecture delivered by)

25X1A

PRODUCTION OF NATIONAL INTELLIGENCE ESTIMATES

Basic Responsibility for Production

There are two thoughts I'd like to leave with you, and I might as well point them out now and hope that I can bring them out in more detail as I go along. The first is that National Intelligence Estimates (NIE's) are not the result of esoteric crystal gazing. They are the result of a lot of hard work and depend ultimately on the total resources of the intelligence community. The successes of NIE's, that is, the extent to which they have accurately forecast, or warned against, developments in the future, are basically the successes of the intelligence community; and the failures of the NIE's, to the extent that they have been wrong, or have considered the wrong kinds of problems, are basically the failures of the intelligence community.

The second thought I would like to leave with you is the fact that the Office of National Estimates (ONE) is not an ivory tower. We sometimes wish it were, we sometimes wish that we had more time to just sit,

S-E-C-R-E-T

- 2 -

and rock, and dream. ONE is a down-to-earth production shop with very tight deadlines, and the poor chaps who spend their weekends and nights engaged in the preparation of these estimates would laugh with a certain amount of bitterness if anyone referred to the place as an ivory tower.

Characteristics of National Intelligence as Related to NIE's

Let me start by giving you some idea of what a National Intelligence Estimate (NIE) is. What is national intelligence? I realize, incidentally, that many of you have been around for a long time (I recognize some of you) and some of this may be pretty old hat to you. National Intelligence as it is expressed in NIE's has three characteristics:

1. In the first place, a National Intelligence Estimate has a very intimate relationship with the National Security Council (NSC) and the NSC Planning Board. I'll go into that in a minute.
2. Secondly, National Intelligence Estimates are very much concerned with the projection of intelligence, or ideas, much more so than any other type of intelligence output. In this connection, incidentally, we look ahead in some of our estimates to five years or more, and in others we look ahead for the next two or three weeks. We are not necessarily examining today's situation, but what the situation is likely to be on the basis of what it is today and was yesterday. What the situation is likely to be tomorrow, or three years from now, or five years hence, may depend on what the situation was a year ago or ten years ago or even 50 years ago.
3. The third characteristic is that national intelligence, to the extent that it is involved in National Intelligence Estimates, represents

S-E-C-R-E-T

S-E-C-R-E-T

- 3 -

the considered judgment of the Director of Central Intelligence and the chiefs of the other intelligence services, who, before any estimate appears in final form, sit in solemn judgment--as they are doing this very moment on the U. S. Intelligence Board (USIB)--and consider the validity of these estimates.

Subjects of National Intelligence Estimates

Area: Now, what do these estimates concern themselves with? Our concern is very wide indeed. We once said we were concerned with the world. We have recently gone beyond the world and have begun to look into outer space; so I guess we now have as an area of jurisdiction, or interest at least, the universe.

Scope: Some of the subjects that we make estimates on are quite broad. There's an annual estimate on the world situation, there's an annual estimate on Soviet capabilities and intentions projected over the next five years, and there's an annual estimate on the capabilities and intentions of the Chinese Communists. These estimates and others like them such as estimates on Sino-Soviet relations are very broad in scope. Then, there are more narrow kinds of estimates, narrow in terms of area, or in terms of problem, or in terms of a particular facet of a problem within an area. For example, as you can well imagine, we are currently involved in a spate of estimates about Berlin and Iraq.

In connection with Berlin and Iraq, we may be charged with producing an estimate of somewhat long range, or it may be a very short range one. In fact, over the last seven or eight weeks we have produced

S-E-C-R-E-T

- 4 -

three estimates on Iraq, one of which is being looked at now by the United States Intelligence Board (USIB)--and by now I mean, literally, at this moment. This is a brief estimate that examines Qasim's present position, that is, the extent of Qasim's freedom to withdraw from Communist influence should he wish to associate himself again with those elements in Iraq that are non-Communist, or pro-United Arab Republic (UAR). In other words, has Qasim gone beyond the point of no return?

Now that is a fairly narrow kind of paper. For next week we have another Iraq paper, which starts from the conclusions of this one. That paper will examine the effect of Qasim's actions and those of his government upon other interested countries within and outside the area and set forth the trend we foresee in Iraq.

Another kind of estimate, which is somewhat broader in one sense and more narrow in another, is what we call hardware estimates: Soviet capabilities in atomic energy, Soviet capabilities in guided missiles, Soviet air-defense capabilities and Soviet capabilities to attack the United States. Another kind of estimate that we do is somewhat broader, since it examines from a fairly general point of view the likely trends in a given country. One estimate that we are involved in now is the outlook for Pakistan over the next two years. In one way or another, I suppose, we cover most countries of the world every two or three years. There are some countries we haven't looked at at all. We have no production schedule that says we must examine what's going on

25X6 [] once every three years. If there is something that is trouble-
25X6 some [], I assume that someday we will examine it. On the

S-E-C-R-E-T

- 5 -

other hand, countries like Iraq and certainly the Soviet Union, certainly Communist China, are examined from one point of view or another, perhaps two or three or more times a year.

25X6

Finally, we undertake estimates that are very specifically directed toward particular policy problems. Now, this is generally true of everything we do, as I will explain later. There are some estimates, however, that deal with, and have as their title, the consequences of certain policy considerations with respect to country X. These estimates are geared very particularly and narrowly to NSC requirements. The policy considerations that we consider are given to us by the NSC Planning Board, and we assess the implications to the United States of these various alternative policies.

ONE Program: Perhaps it might be more to the point, instead of talking theoretically, if I just read off very briefly our program of NIE's for the next couple of months. They are scheduled because the NSC has a policy paper which they want some intelligence support for or because we think there are incipient problems in the area that we have to answer to or because we have commitments, annual commitments, to examine certain problems. For example, between today and the end of the summer, we will prepare estimates on West Africa, Vietnam, the Soviet atomic energy program, Pakistan, prospects of an independent Cyprus, developments in Soviet science and technology, main trends in the Arab World, Indonesia, probable Soviet attitudes and courses of action with respect to Antarctica, the outlook in the Eastern European Satellites, capabilities and intentions of Communist China, Cambodia's

S-E-C-R-E-T

- 6 -

international orientation, Sino-Soviet Bloc air-defense capabilities, Central and East Africa, Colombia, Soviet capabilities in guided missiles, and Afghanistan. I've already mentioned several estimates that we are doing that are not on this schedule to show you that in addition to the ones that we program, we have such estimates as the two Iraq papers I mentioned, and one on Yemen as well, that are unanticipated.

In scheduling our program, we must allow a certain amount of time and resources to undertake these unanticipated estimates. We do a total of about 60 to 70 estimates a year. There was a period, up until about two or three years ago, when it was believed that the intelligence community could absorb and could undertake about one of these things a week. I suppose it's a sign of increasing international tensions (and, we hope, also a sign of the usefulness of these estimates) that the intelligence community now finds itself not necessarily willing but able and directed to undertake something like one and a half of these a week. Now, this doesn't sound like very much, but when I indicate what is involved in producing an estimate, I think you will realize that it is a difficult, expensive, time-consuming, and elaborate operation.

Normal Process in the Production of NIE's

How are these estimates produced? Well, I'll explain what ONE is and how it's organized in a moment, but suffice to say at this point that the Office of National Estimates is the focal point for the production of National Intelligence Estimates. I have a paper, an estimate we did recently, and it might be useful to trace the production of it.

S-E-C-R-E-T

- 7 -

This is called The Threats to the Stability of the United States Military Facilities Position in the Caribbean Area and Brazil.

Initiation by NSC Planning Board: The National Security Council Planning Board was reconsidering its policies in respect to U. S. bases in the Caribbean. There were many developments in the Caribbean over the past six months that would dictate this reconsideration, and the Board asked for two things. It asked, in the first instance, for policy review papers from (in this case) the Department of Defense and Department of State policy planning staffs; it also asked for a National Intelligence Estimate assessing the likelihood of stability for continued access to U. S. bases in the area of concern. The Planning Board requested that the policy re-examinations be submitted on a certain date, and the NIE was asked for by the same date so that when the Board met to work out the policy, they would have these papers before them.

Notice to DCI and the USIB: Well, the first thing we have to do is to indicate to the Director, who, in turn, will notify USIB that such an estimate has been requested and is about to be laid on. The USIB, as you know, is headed by the Director and is a board comprised of the chiefs of all U. S. intelligence agencies. The Director notifies the members at a regular USIB meeting that the estimate has been requested, or, if there isn't enough time, he will alert them by a note. Now, it is important that the USIB members know this because they have a large part to play in it.

S-E-C-R-E-T

- 8 -

Preparation of Terms of Reference: The next thing that happens is that a member of the ONE Staff, who knows something about the Caribbean area, prepares what we refer to as the terms of reference; that is, a sort of contract for the estimate. It indicates what the scope of the estimate is and what, basically, the problem is. The problem in this case was to estimate the likelihood of continued U. S. access to military facilities in the Caribbean area (as defined) and Brazil over the next several years. Now, it is not simply good enough to state this problem; you have to indicate the kinds of things you need in order to answer the questions, the information on which the estimate must be based. So, our ONE Staff man will sit down and work out a list of questions that he feels will provide him with the necessary information to proceed. These terms of reference are worked out and gone over in ONE.

Meeting of USIB Representatives: Then we call a meeting of the USIB representatives (the "Reps"). These are members of the estimates staffs of the three military services, Joint Chiefs of Staff, the Department of State, and certain other elements of the intelligence community as appropriate. In some cases, a representative of the Deputy Director (Plans) (DD/P), the Office of Current Intelligence (OCI) or will attend; on other occasions, a representative of the National Security Agency (NSA), Department of Defense, or Atomic Energy Commission (AEC), or the Federal Bureau of Investigation (FBI) will attend. They will go over these terms of reference to make sure that, first of all, they understand what the questions are; secondly, to make sure that in their minds,

STATSPEC

S-E-C-R-E-T

S-E-C-R-E-T

- 9 -

the answers to these questions will produce the kind of information from which an estimate can be developed; and thirdly, that the time schedule for the estimate is such that their own facilities and resources will be able to cope with it. At the end of this meeting, each agency is directed to undertake the responsibility for a certain chunk of these terms of reference, and they retire to their own offices and prepare contributions.

Preparation of Draft Estimate: These contributions arrive at ONE on the designated date, and the staff member who originally drew up the terms of reference will prepare a draft estimate. This draft will then be kicked around in ONE in the manner I'll describe in a few minutes, and then be forwarded to the agencies for examination.

Referral to Panel of Consultants: Now, on some estimates (not this one, incidentally), depending on how much time we have and the importance of the paper, we may peddle the draft among the group of high-level consultants that we have and ask for their views. We submit the draft to them, preferably before it goes out to the intelligence community. These consultants meet for two days every six weeks Among them, 25X1A undoubtedly, are the best minds on international affairs outside of the Government. I think some of the names of the people who sit in and work on these problems with us would surprise you. If we do business with the consultants, we adjust the paper as appropriate. If we don't, we will send it right out to the agencies. They have something like a week or two, or a day, depending on the time, to go over the draft.

S-E-C-R-E-T

- 10 -

Consideration by the "Reps": Then the Reps meet and kick the draft around and, eventually, we come out with an estimate that reflects the views of the community. Now, this estimate is not, necessarily, an agreed estimate. We don't insist that all contributing agencies agree with our view. This is an extremely important aspect of U. S. intelligence estimate production, because the estimates are not watered down in order to get a unanimous point of view. When somebody disagrees on a fundamental problem, we invite him to dissent, and dissents are registered in the footnotes of the paper.

USIB Consideration of Final Draft: More often than not there aren't any dissents. There were none on this paper on the Caribbean. If there are dissents, they will be inserted at the final step of the National Intelligence Estimates process, which is the review of the draft at the last stage of the game by the USIB itself. If the Navy, for example, is still dissatisfied about a matter, it is invited to state its views in a dissenting footnote.

Amount of Time Consumed in Normal Process of Production

Now, this sounds like a long, cumbersome process. It is. Our annual estimate on the Soviet Union takes something like six months from portal to portal, that is, from terms of reference to USIB approval. In large part, it takes this long because the contributing agencies have a great deal of work to do, particularly in the economic research and the scientific research fields. Sometimes this research takes months. In some cases, special collection efforts are laid on, and this also is time consuming.

S-E-C-R-E-T

S-E-C-R-E-T

- 11 -

Another reason why these papers can take a long time is that the problems they deal with are very complicated, and the discussions with representatives of the agencies can be quite time consuming and, indeed, might go on for days. Incidentally, these sessions produce a fairly high-level and sophisticated discussion of international affairs; but after about five or six full days the discussion begins to pall, and one wonders just how one ever got into this business.

Accelerated Production of an NIE

On the other hand, the whole process can be done, and has been done, in something like 48 hours. Even though the time is telescoped, every process I noted is undertaken. For example, the paper I mentioned on Iraq was laid on last Tuesday for a deadline this Tuesday, and it was completed in something less than a week.

Notice to USIB Agencies: Now, how do we telescope it? In the first place, instead of asking the agencies to submit written contributions in response to fairly elaborate terms of reference, we will write to them and say, "Look; we've got this paper; we've got a tough deadline on it. These are the principal problems of the paper. We want to meet with you in 24 hours and we want you to send people here who are competent to discuss these problems."

Oral Contributions: Then in that session, we have what we refer to as oral contributions. In this session stage, everybody, in a sense, submits for consideration virtually all he knows about these problems. Our staff people absorb all this material. (Incidentally, I think I should mention our OCI and DD/P representatives are almost always

S-E-C-R-E-T

- 12 -

present at these sessions). On the basis of these oral contributions, a draft is prepared that night.

Dissemination of Draft Estimate: The next day the draft goes to the agencies, the following day they come in and discuss it, and there it is. It can be done, as I say, in about 48 hours. On one occasion, an occasion which I don't like to think about, it was done in something like four hours. I don't want to vouch for the thoughtfulness or the judgments of papers produced under such pressure.

ORGANIZATION OF THE OFFICE OF NATIONAL ESTIMATES

Just a word or two on how the Office of National Estimates is organized. As CIA, or other U. S. Government organizations go, ONE is very small. It has [] including everybody.

25X9

ONE Staff

25X9

We have [] staff members who cover the--I was about to say the world. They cover the universe. The staff is divided into five regions, geographical areas of the world, as follows: Eastern European, U.S.S.R., Middle East, Far East, and Western Europe. The Soviet Union Staff is the largest [] It includes [] "hard-ware" specialists: [] with guided missiles, and atomic energy; and [] more conventional military capabilities. Then we have an Eastern European Satellite [] internal Soviet Union []

25X9

25X9

25X9

25X9

25X9

25X9

S-E-C-R-E-T

- 13 -

The Middle East area, in our definition, covers the Indian subcontinent, Greece, and Turkey. The Far East Staff, which also covers a fair amount of real estate, [] The Far East includes Communist China, which is not included in the Soviet Bloc. Finally, we have a staff on Western Europe. [] Western Europe is a big area for us. It includes Latin America and the Continent of Africa.

25X9

25X9

These chaps have to be fairly versatile. What we require of our staff members is a general level of sophistication about their areas. We don't expect, we can't expect, a member of our Far East Staff on a moment's notice to tell us who U Nu's brother-in-law is, or what the rice production was in Burma last year. What we do want from him, on a moment's notice, is a fairly sophisticated discussion of what the situation is in Burma today; and in ten minutes, we would hope that he would be able to produce enough on this to give us a good feel for the situation in Burma.

On the other hand, when we do a paper on Burma we expect our staff man to dive down very deep and in the course of his work, to know as much about Burma and what's going on, and what's likely to go on, and what its problems are as almost anybody in Washington. After he is through with that estimate, we want him to surface again and once more cover a large chunk of the Far East, reading the traffic, reading books, talking to people, and debriefing people, and once again on a moment's notice give us a fair idea of what the situation is in []

25X1

S-E-C-R-E-T

- 14 -

Support Staff

Now, in addition to the staff, I should point out, lest you think that these chaps are greater geniuses than they are, that each area component of the staff has a research assistant. It is the job of this research assistant to make sure that these fellows see, sometime in the course of each work day, everything that is relevant whether or not it is in the particular area in which they are currently engaged. These assistants, and the girls who grind out our papers, together with the girls in our library, comprise another ONE element, the Support Staff.

Board of National Estimates

Finally we have a thing called the Board of National Estimates. The Board of National Estimates consists [] senior officers with long experience in international relations. [] one is the Assistant Director for the Office of National Estimates, Sherman Kent, who is Chairman of the Board; another is myself. The [] spend all of their time on substance. They have no administrative responsibilities whatsoever. Their job is to think, and talk, and write, and read about international affairs. By and large, they have no regional specialty; they are primarily interested in international relations, as such. Some of them are better equipped by experience or interest in one area than another and when we ask them to chair a paper we keep that in mind. The board is made up of [] with long experience in the academic world; we also [] retired military officers of considerable experience and breadth; and we have [] members with long-time (by long-time I mean from about 1940 onward) experience in the intelligence

25X9
25X9
25X9
25X9
25X9
25X9
25X9

S-E-C-R-E-T

- 15 -

field.

Those components, plus our panel of consultants, comprise the Office of National Estimates.

RELATIONSHIP OF ONE TO OTHER CIA COMPONENTS AND USIB AGENCIES

Before I close, I'd like to point out briefly our relationship to other parts of the Agency and the community. We, as you can see, are not a self-sufficient organization. We couldn't possibly be. We do no primary research. We, in a sense, engage in plagiarism on a fairly high-level. We rely on a whole host of people to service us. Sometimes they know that they are servicing us because we give them special requests. Sometimes they are innocent victims of our interest.

Our relationship with various offices in the DD/P is extremely close, in large part because many papers we do are in response to DD/P requests. Our relationship with the Office of Current Intelligence (OCI) and the Office of Research and Reports (ORR) and their area specialists and functional specialists must be close. We couldn't live without them. We need somebody who does know who U Nu's brother-in-law is, how much rice was produced in Burma last year, and the cost to the Soviet Union, at various levels, of an air-defense program. We rely heavily on the [redacted] and [redacted] and the [redacted]

STATSPEC

25X1A [redacted] Most of the material, as you probably know, that comes out of the Soviet Union is largely produced by the latter components.

Of course, outside the Agency, we rely very heavily on Department of State cable traffic, on attache reports, on talks with, or debriefings of, Agency, State, or military people. We rely on the academic

S-E-C-R-E-T

- 16 -

world, sometimes for special jobs that they do for us, and sometimes in terms of the books and theses that they produce. Our raw material is legion.

ESTIMATED COST OF AN NIE

I couldn't possibly detail the number of things that go into an estimate. It is not only what we put into an estimate, it's the number of reports, and analysis, and the wealth of experience that are contributed to it. We once tried to figure out how many man-hours it took to produce an estimate, what the cost of one of these things would be. I think this was a paper dealing with Chinese Communist intentions to invade Taiwan. The number of man-hours we totaled up was scandalous, in the order of a hundred thousand of man-hours, I think.

I have no statistical basis for saying this, but I wouldn't be surprised if our annual estimate on the Soviet Union (its cost in terms of people's time, of the special collection effort, or the time spent at meetings) cost several hundred thousand dollars. This is a fairly expensive product. We don't like to undertake these things lightly. On the other hand, an estimate does represent the considered views of the intelligence community. It does present the policy makers with the kind of guidance, intelligence guidance, they seek and should have in order to cope with the big and vital problems of the day.

S-E-C-R-E-T

S-E-C-R-E-T

- 17 -

CONCLUSION

I'd like to close, if I may, by a somewhat immodest, but relevant reference. In a Sherlock Holmes book, The Adventures of the Bruce Parkinson Plans, Holmes describes a character, a rather elusive character some-CPYRGH place in the bowels of His Majesty's Government. He says to Watson, "You

are right in thinking that he is under the British Government. You would also be right in a sense if you said, occasionally, that he is the British Government." "My dear Holmes!" protests Watson. "The same great powers that I have turned to the attention of crime," says Holmes, "he has used for this particular business. The conclusions of every department are passed to him and he is the central exchange, the clearing house, that makes out the balance. All other men are specialists, but his specialization is omniscience. We will suppose that a minister needs information that involves the Navy, India, Canada, and the bimetallic question. He could get his separate advices from various departments on each, but only Mycroft can focus them all and say offhand how each factor would affect the other. They began by using him as a short cut, a conscience, now he's made himself an essential. In that great brain of his, everything is pigeonholed and can be handed out in an instant. Again and again, his

word is deciding in national policy." I'm not totally serious about this and this isn't an entirely accurate description of ONE, but it's the best one you can find in Conan Doyle, at least.

S-E-C-R-E-T